## REMARKS

Applicants respectfully request reconsideration of this application, and reconsideration of the Office Action dated August 4, 2003 (Paper No. 5). Upon entry of this Amendment, new claims 4-26 will be pending. The newly added claims are supported by the specification and drawings. No new matter is incorporated by this Amendment. Payment to cover the cost associated with the additional claims is submitted herewith.

Applicants have also made changes to the specification. The changes to the specification are designed to more accurately correspond with what is presented in the drawings and additional areas of the specification (e.g., improve upon various translation choices to ensure that the specification corresponds with that which is shown in the Figures and to correct grammatical problems). Since, all of the changes to the specification are considered to be fully supported by the original application (at least unambiguously inherent from the original disclosure), no new matter is introduced as a result of the changes to the specification.

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The abstract was objected to because it included two paragraphs. In response, Applicants submit herewith a new Abstract of the Disclosure on a separate sheet of paper. The new Abstract of the Disclosure is in single paragraph form. Hence, the objection is overcome and its withdrawal is respectfully requested.

The drawings were also objected to for not showing every feature of the claims. Specifically, the Office Action asserted that the figures did not show the "at least two pairs of bearings for supporting a pair of drive pinions shaft" feature of claim 1. In response, Applicants note that claim 1 has been cancelled. Moreover, the newly added

claims do not recite the language questioned in this objection. Hence, the objection is overcome and its withdrawal is respectfully requested.

Applicants also submit herewith an amended version of Figure 1 having newly added reference number 10 and 12 which correspond to the differential mechanism and driven gear, respectively, as shown on the original version of Figure 1. In addition, Applicants submit herewith a Letter With Proposed Drawings Corrections and an amended version of Figures 6 and 7. The amended version of Figures 6 and 7 includes the --Prior Art-- designation.

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Claims 1 and 2 were rejected under 35 U.S.C. § 112, second paragraph as being indefinite.

Claims 1 and 2 have been cancelled by this Amendment thereby rendering this rejection moot. Furthermore, newly added claims 4-26 fully comply with 35 U.S.C. § 112.

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Claims 1 and 2 were rejected under 35 U.S.C. § 102(b) as being anticipated by Riblet (U.S. Pat. No. 2,019,464). The Office Action asserted that Riblet describes every feature of the claimed invention. Applicants note that claims 1 and 2 are cancelled. However, insofar as this rejection might be deemed applicable to the newly added claims, Applicants respectfully traverse.

Newly added independent claim 4 (from which claims 5-19, 20, and 21 all ultimately depend) describes a differential unit for a motor vehicle. The differential unit includes a tubular spacer having an inner diameter larger than an outer diameter of the drive pinion shaft. The spacer is interposed between the inner races of the bearings such

that the spacer covers the drive pinion shaft. In addition, the unit includes a radial position regulating means for regulating a radial position of the spacer relative to the drive pinion shaft. The means is provided between an inner surface of the spacer and an outer surface of the drive pinion shaft.

Riblet describes a mounting for a pinion shaft. In his invention, Riblet employs a ring that is described in the Office Action as having an inner diameter that is essentially equal to an outer diameter of the drive pinion shaft. Applicants emphasize that Riblet employs a short ring. See Column 2, Lines 54-61. In contrast, the present invention employs a tubular spacer having an inner diameter larger than an outer diameter of the drive pinion shaft. Riblet neither teaches nor fairly describes such a spacer and thus for at least this reason fails to anticipate claim 4. Applicants' invention also employs a radial position regulating means for regulating a radial position of the spacer relative to the drive pinion shaft that is provided between an inner surface of the spacer and an outer surface of the drive pinion shaft. Riblet also fails to teach or fairly describe this feature of independent claim 4.

Applicants now turn to independent claim 22 which also concerns a differential unit. The unit of claim 22 includes a spacer interposed between the bearing for restricting an installing position of the bearings in a lengthwise direction of the drive pinion shaft. In addition, the unit includes a protrusion integrally formed on an inner cylindrical surface of the spacer for touching an outer tubular surface of the drive pinion shaft. As discussed above, Riblet neither teaches nor fairly suggests a spacer or protrusion as presently claimed. Hence, Riblet fails to teach or fairly suggest each and every feature of independent claims 4 and 22 and thus cannot anticipate the claimed invention.

Independent claim 23 also describes a tubular spacer with a radial positioner that is provided to provide a regulator as to the radial relationship between the drive pinion shaft and tubular spacer, and thus also differentiates over the prior art. New dependent claims 24-26 provided additional varied scope dependent claim coverage directed at the present invention.

The above remarks overcome this rejection. Accordingly, reconsideration and withdrawal of the rejection are respectfully requested.

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Claims 1 and 2 were rejected under 35 U.S.C. § 102(b) as being anticipated by Watanabe (JP 03-33539).

Claims 1 and 2 were rejected under 35 U.S.C. § 102(b) as being anticipated by Hagino (JP 08-210472).

These two rejection are addressed together as similar issues apply to both. Furthermore, insofar as these two rejections may be deemed applicable to the present claims, Applicants traverse.

Applicants note that Watanabe and Hagino, like Riblet, both fail to teach or fairly describe each and every feature of independent claims 4 , 22 and 23. Neither Watanabe nor Hagino teaches or fairly suggests employing a radial position regulating means for regulating a radial position of the spacer relative to the drive pinion shaft that is provided between an inner surface of the spacer and an outer surface of the drive pinion shaft as recited in claim 4, or a protrusion integrally formed on an inner cylindrical surface of the spacer for touching an outer tubular surface of the drive pinion shaft as recited in claim 22, or a positioner which is dimensioned and arranged to provide a radial position regulator as recited in claim 23.

As conceded in the Office Action, Watanabe only shows an annular spacer which fits on the outer surface of a drive shaft at both axial ends. Moreover, Hagino only shows an annular spacer having an inner diameter that is essentially equal to the outer diameter of the drive pinion shaft at one end. Hence, both Watanabe and Hagino fail to teach each and every feature of independent claims 4 , 22 and 23 and thus cannot anticipate the claimed invention.

The above remarks overcome both of these rejections. Accordingly, reconsideration and withdrawal of both rejections are respectfully requested.

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Applicant respectfully submits that this Amendment and the above remarks obviate all of the outstanding objections and rejections in this case, thereby placing the application in condition for immediate allowance. Allowance of this application is earnestly solicited.

If any fees under 37 CFR §§1.16 or 1.17 are due in connection with this filing, please charge the fees to Deposit Account No. 02-4300; Order No. 032405.100.

If an extension of time under 37 CFR § 1.136 is necessary that is not accounted for in the papers filed herewith, such an extension is requested. The extension fee should be charged to Deposit Account No. 02-4300; Order No. 032405.100.

Respectfully submitted,

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